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Supreme Court of the United States

October Term, 1964

No. 1006

T. B. HARMS COMPANY,

Petitioner,

vs.

EDWARD ELISCU and ROSS JUNGNICKEL, INC.,

Respondents.

ON PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE SECOND CIRCUIT

BRIEF OF RESPONDENT ROSS JUNGNICKEL, INC., IN OPPOSITION

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Ross Jungnickel, Inc.

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Opinions Below

The opinion of the United States District Court for the Southern District of New York is reported at 226 F. Supp. 337 (1964). The opinion of the Court of Appeals for the Second Circuit affirming the judgment of the District Court is reported at 329 F. 2d 823 (1964).

Jurisdiction of This Court

The judgment of the Court of Appeals was entered on December 23, 1964. The petition for a writ of certiorari was filed on March 19, 1965. The jurisdiction of this Court is invoked under Title 28 U.S.C., Sec. 2201, and Rule 19 of the Rules of this Court.

Statute Involved

The statutory provision involved is 28 U.S.C., Sec. 1338, which is as follows:

> "1338. *Patents, copyrights, trade-marks, and unfair competition.*—(a) The district courts shall have original jurisdiction of any civil action arising under any Act of Congress relating to patents, copyrights and trade-marks. Such jurisdiction shall be exclusive of the courts of the states in patent and copyright cases."

Question Presented

The sole question presented to this Court is whether or not this action is one which arises under the Copyright Act so as to confer exclusive jurisdiction upon the federal court.

Statement

By virtue of numerous agreements (R. Vol. I, 6a-18a, 25a-42a) (the construction and execution of which are sharply disputed) (R. Vol. I, 59a-61a), petitioner (hereinafter called "Harms") claims to be the owner of the interests in the renewal copyrights of the musical compositions entitled "Flying Down to Rio", "Orchids in the Moonlight", "Carioca" and "Music Makes Me" (hereinafter called the "Songs") which derive from the co-authorship of respondent Edward Eliscu (hereinafter called "Eliscu").

Eliscu also claims to be the owner of said renewal copyright interests, and some several weeks before the commencement of this action, Eliscu instituted an action in the Supreme Court of the State of New York for a declaration of his title thereto (R. Vol. I, 53a).

By agreement dated September 18, 1961 (R. Vol. I, 99a-117a), Eliscu assigned to respondent Ross Jungnickel,

Inc. (herinafter called "RJ") all his right, title and interest in and to his renewal rights in the Songs, expressly, subject, however, "to such rights, if any, that T. B. Harms or R.K.O. may have" (R. Vol. I, 100a) and contingent upon the event "that a court of ultimate jurisdiction declares by a final judgment that Eliscu is the owner of said renewal rights" (R. Vol. I, 108a, 117a).

For the protection of its contingent rights, RJ caused to be recorded in the Office of the Register of Copyrights a short form assignment, dated February 19, 1962 (R. Vol. I, 73a), which referred specifically to the agreement of September 18, 1961.

RJ has at all times recognized that no rights would vest in it under the agreement of September 18, 1961, unless and until there is a final adjudication declaring that Eliscu is the owner of the renewal interests (R. Vol. I, 47a). Counsel for Harms was so informed (R. Vol. I, 50a). Harms does not dispute the wholly contingent nature of RJ's rights.[1]

Since RJ had no rights, it exercised none. Concededly, RJ has never (1) printed copies of the Songs, (2) collected any monies from any source whatsoever deriving from the copyrights therof, (3) orally or in writing made a claim to the American Society of Composers, Authors and Publishers, to Harry Fox (Harms' agent for the collection of mechanical royalties), to any record company, or to any other commercial user, to the effect that it owns or claims to own the copyright or any part thereof with respect to the Songs.[1]

Without the knowledge or consent of RJ (R. Vol. I, 48a), in June, 1963, Eliscu notified ASCAP and Harry Fox

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[1] These facts were conceded by Harms' failure to controvert the statement of undisputed facts submitted by RJ and Eliscu under Rule 9(g) of the General Rules of the District Court (R. Vol. III, 1a-3a).

of his claim of ownership and advised that all future payments which did not reflect his interest would be at the risk of the payor (R. Vol. I, 85a, 91a). Eliscu has never, in fact, received any monies as a renewal term owner (R. Vol. III, 3a).[1]

At no time before the commencement of this action did Harms give notice either to RJ or Eliscu that it claimed an infringement of its copyrights, nor was demand made for the cessation of any infringement.[1]

Argument

It is RJ's contention that this action is solely one for the declaration of title and one which does not arise under the Copyright Act of the United States.

It was conceded that RJ made none of the uses of the works which are granted or permitted under Section 1 of Title 17 U. S. C. (R. Vol. III, 1a-3a). Harms' claim of threatened infringement was found on the motion for summary judgment below to be without substance, three years having elapsed from the time of the alleged (and disputed) threatening statement without any infringing action having occurred. R. Vol. I, 128a and see Title 17, U. S. C. Section 115(b).

The only acts relied upon by Harms were (a) the filing, by Eliscu, of an adverse claim to the renewal copyrights, (b) the filing by RJ of its contingent assignment, (c) Eliscu's notice to Harms' agents that any payment they made to Harms in disregard of his rights would be made at their peril and (d) the commencement, by Eliscu, of

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[1] These facts were conceded by Harms' failure to controvert the statement of undisputed facts submitted by RJ and Eliscu under Rule 9(g) of the General Rules of the District Court (R. Vol. III. 1a-3a).

an action for declaratory judgment in the Supreme Court of the State of New York.

While these acts may constitute a slander of the Petitioner's title, they do not constitute acts prohibited by the Copyright Act. (*Nimmer on Copyright* (1963) § 110.6, pp. 452-3).

Whether Harms predicates its claim upon the alleged assignment agreement with Max Dreyfus, which is referred to in the body of the complaint (R. Vol. I, 15a), or the alleged contract of employment with RKO, which is attached as an exhibit to the complaint (R. Vol. I, 25a-33a), the only issues are the ownership of the renewal copyrights, as may be determined from a construction of the contract which is found to be controlling and the enforcement of contractual rights thereunder. Such an action does not "arise under" the copyright laws of the United States and Federal jurisdiction is lacking. (*Luckett* v. *Delpark, Inc.*, 270 U. S. 496 (1926); *Danks* v. *Gordon*, 272 Fed. 821 (2d Cir. 1921): See also cases collated in *Muse* v. *Mellin*, 212 F. Supp. 315 (S. D. N. Y. 1962), aff'd, per curiam, 339 F. 2d 888, 2d Cir. 1964). There is here no necessity for the construction of any part of the Copyright Act. No novel questions arising under the Act are at issue. The only construction required is that of the alleged contracts.

Harms now raises the issue of the possible applicability and meaning of that part of Section 24, Title 17 U. S. C. which refers to corporate body works. Whatever that section may mean (and there is in serious doubt as to whether it has any meaning whatsoever, see, *Shapiro, Bernstein & Co., Inc.* v. *Bryan*, 2d Cir. 1941, 123 F. 2d 697), it has no relevance here. All of the renewal registrations made by Harms with respect to Eliscu's interest were made solely as a proprietor of works made for hire.

No Federal issue is raised by the possible necessity for the determination of the quantum of the respective inter-

ests of Eliscu and his co-authors in the renewal copyrights at issue. The status of co-authors, *inter sese*, has been adjudicated by the Federal courts in numerous cases which have consistently held the relationship to be that of tenants-in-common (*Silverman* v. *Sunrise Productions Corporation*, 273 Fed. 909 (2d Cir. 1921); *Edward B. Marks Music Corp.* v. *Jerry Vogel Music Co., Inc.*, 42 F. Supp. 859 (S. D. N. Y. 1942); *Maurel* v. *Smith*, 220 Fed. 195 (S. D. N. Y. 1915), affd. 271 Fed. 211 (2d Cir. 1921); *Piantadosi* v. *Loew's, Inc.*, 137 F. 2d 534 (9th Cir. 1943); *Shapiro, Bernstein & Co., Inc.* v. *Jerry Vogel Music Co., Inc.*, 73 F. Supp. 165 (S. D. N. Y. 1947). Their respective rights are those which, under the common law, flow from that relationship.

The rule was restated in the recent case of *Sweet Music, Inc.* v. *Melrose Music Corp.*, 189 F. Supp. 655, 659 (S. D. Cal., Cent. Div. 1960):

> "Moreover, looking to the analogy of tenants-in-common generally, the long settled rule is that 'if their shares are not fixed in the deed or will creating the cotenancy, they take in equal shares.' 2 American Law of Property § 6.5 (Casner ed. 1952)."

It is clearly within the jurisdiction and competence of the Supreme Court of the State of New York to make any determination, either of law or fact, under that rule or any other aspect of the tenancy-in-common relationship which may arise in the pending action. (*Harrington* v. *Mure*, 186 F. Supp. 655 (S. D. N. Y. 1960); *Cresci* v. *Music Publishers Holding Corp.*, 210 F. Supp. 253 (S. D. N. Y. 1962).)

Harms argues that Federal jurisdiction is necessary, in the event it is successful, to remove the cloud on its title in the office of the Register of Copyrights. As Judge Weinfeld said in the District Court below (R. Vol. I, 129a):

> "The claim is one for declaration of ownership of the renewal interest based upon Eliscu's co-authorship of the four compositions—the very issue

presented by the pending suit in the Supreme Court of the State of New York. That Court has jurisdiction of the question of title and, if the facts warrant it, power to compel Eliscu to execute an assignment of his interest and a cancellation of the assignment filed in the copyright office. (New Marshall Engine Co. v. Marshall Engine Co., 223 U. S. 473 (1912).)''

CONCLUSION

For the foregoing reasons, it is respectfully submitted that the petition for a writ of certiorari should be denied.

April 15, 1965.

Respectfully submitted,

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